

ABP Nocivelli

Sponsored Research

Italy | Materials, Construction & Infrastructure



Analysers

19 September 2023

Buy

Recommendation unchanged

Share price: EUR **3.70**

closing price as of 18/09/2023

Target price: EUR **5.70**

Target Price unchanged

Upside/Downside Potential **54.1%**

Reuters/Bloomberg

ABP.MI/ABP IM

Market capitalisation (EURm) **113**

Current N° of shares (m) 30

Free float **11%**

Daily avg. no. trad. sh. 12 mth (k)

Daily avg. trad. vol. 12 mth (k)

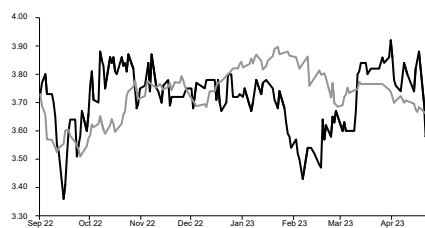
Price high/low 12 months 3.92 / 3.36

Abs Perfs 1/3/12 mths (%) 0.00/-4.15/-5.37

Key financials (EUR)	06/22	06/23e	06/24e
Sales (m)	59	87	88
EBITDA (m)	14	14	15
EBITDA margin	23.8%	16.6%	16.8%
EBIT (m)	12	13	13
EBIT margin	21.1%	14.8%	15.0%
Net Profit (adj.)(m)	10	10	10
ROCE	64.1%	46.4%	46.4%
Net debt/(cash) (m)	(40)	(42)	(50)
Net Debt/Equity	-0.7	-0.7	-0.7
Debt/EBITDA	-2.8	-2.9	-3.3
Int. cover(EBITDA/Fin. int)	82.4	90.1	92.4
EV/Sales	1.4	0.8	0.7
EV/EBITDA	5.8	4.9	4.3
EV/EBITDA (adj.)	5.8	4.9	4.3
EV/EBIT	6.5	5.5	4.8
P/E (adj.)	12.6	11.7	11.4
P/BV	2.2	1.8	1.6
OpFCF yield	6.8%	3.4%	8.3%
Dividend yield	1.3%	1.3%	1.3%
EPS (adj.)	0.31	0.32	0.32
BVPS	1.76	2.08	2.36
DPS	0.05	0.05	0.05

Shareholders

Bruno Nocivelli 58%; Laura Salvatore 27%; Nicola Turra 4%;
Alessandra Perego 0.89%;



Source: FactSet

— ABP NOCIVELLI — FTSE AIM Italia (Rebased)

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Updated 10-year backlog of EUR 800m

The facts: ABP announced yesterday that its 10-year backlog rose from EUR 650m (as at 31 March 2023) to EUR 800m.

Our analysis: ABP disclosed that the updated backlog includes extension and renegotiation of existing contracts as well as new order intake. In particular, the combined construction-and-service backlog referred to the next 3 years stands at EUR 300m.

The latest additions included three tenders won in June as a member of a temporary consortium with Pavoni S.p.A. (worth EUR 50m globally) and “some contracts with Terna” for an undisclosed amount.

Taking into account the EUR 300m 3-year backlog, we note that there is a potential upside in the region of ~10% at the revenue level, compared with our current estimates (just less than EUR 90m in FY 22/23 and FY 22/24). The positive impact at the EBITDA level is unknown and is closely linked to the business mix.

Conclusion & Action: the order intake in both construction and service activities increases visibility on the long-term perspectives.